

News Release

**OFFICE OF INSURANCE WARNS CONSUMERS ABOUT
GROUP HEALTH INSURANCE SCAM**

Purported trade organization claims to offer health insurance to members

FRANKFORT, Ky. (Sept. 26, 2006) — At least seven Kentuckians are among more than 300 consumers nationwide who have been solicited in a scam involving the promise of group health insurance, according to an ongoing investigation by the Kentucky Office of Insurance (KOI).

The solicitors, operating under the name National Trade Business Alliance of America (NTBAA) and agent Professional Business Consultants (PBC) Direct, claim to offer an affordable group health plan through a number of widely recognized insurers. NTBAA and PBC Direct have no affiliation with the insurers and its “agents” are not licensed in Kentucky.

Consumers being solicited are asked to pay a one-time application fee of \$136 and a monthly premium that ranges from \$134 for an individual to \$207 for a family.

“These consumers have paid money for a bogus product. They do not have health insurance coverage,” said Julie Mix McPeak, executive director of KOI.

McPeak said KOI is trying to gauge the extent of the scam. KOI and insurance regulators in other states were alerted by an insurance company that identified 300 solicited consumers, seven of whom were Kentuckians.

The insurer notified KOI that it denied an application from NTBAA for a group plan but later discovered that NTBAA and PBC Direct were advertising the insurer’s products through printed materials and a Web site.

“These scam artists are getting more sophisticated,” said McPeak. “It becomes even more important for consumers to be alert and to verify that the company and any individuals involved in an insurance transaction are properly licensed and authorized to do business in Kentucky. Consumers also should be suspicious of extremely low premiums.”

Consumers who have been contacted by someone working on behalf of NTBAA or PBC Direct should call 1-800-595-6053 and ask for Scott Moseley in the Consumer Protection and Education division.